

**TELEFAX 10**

# INFORMATION REPORT

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1. The struggle by Peruvian labor leaders for the control of the country's labor has become increasingly acute as the 2 July elections draw nearer. Juan P. Luna's Comité de Defensa Sindical (CDS) remains the most influential. The various labor groups and congresses under Communist Party control continue to find the bulk of their support in the south of Peru, in Puno, Cuzco, and Arequipa. Both the "dissident" Communists and the Apristas maintain some control, and although the Frente Unico de Independencia Sindical (FUIS) is weakened, it still has some adherents. There are also several newly formed labor groups, such as the Frente Nacional de Trabajadores, the Comité de Accion Política de los Trabajadores del Peru, and the Frente Unico, the importance of which cannot be judged at present.

The Comite de Defensa Sindical

2. Although Luna's Comite has had several setbacks recently, Luna maintains his position as the most important labor figure in Peru at present, with the CDS the most important labor organization. The recent reverses of CDS are listed by source as:
  - a. Denial by President Odria of CDS request for permission to conduct a mass labor demonstration on 1 May.
  - b. Present inability of CDS to gain support of additional labor groups.
  - c. Active anti-CDS campaign being carried on by certain sectors of the press and by opposition labor and political groups.
3. Alipio Orbegoso, maritime workers' leader and collaborator of Luna in the CDS, is reported to have made the following comments on the CDS situation: Odria would not permit a CDS-inspired demonstration on May Day because the President himself wanted to take advantage of the occasion to address the people, in accordance with his political line of attempting to create "spontaneous mass labor support." Odria also feared unfavorable reaction if he permitted the CDS to control a labor movement on that day. Orbegoso insists that this refusal should by no means be construed to mean that there is a "cooling off" between Odria and Luna, as some of CDS' enemies allege.

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Orbegoso added that the President's action may be explained as a desire to create the impression among labor groups that they are all looked upon with equal favor by the Junta.

4. However, Orbegoso admits that the leaders of the CDS were quite taken aback by Odria's refusal to permit this meeting. The refusal moreover, created considerable dissatisfaction and misunderstanding among the unions belonging to the CDS. The surprise and disappointment was particularly sharp because Luna had been completely sure that he would be permitted to hold his demonstration. In an information bulletin dated 24 April, prepared by the Press and Propaganda Committee of the CDS, Luna confidently called upon the workers to support the demonstration.
5. Luna has had difficulty in winning over more labor groups, according to Orbegoso, because the Junta has failed to fulfill some of its promises made to labor, and the CDS has been unjustly blamed for the failure. However, Director of Labor Victor Casagrandi is expected to hand down soon decisions in favor of the workers on several important requests contained in the CDS March memorandum which will automatically increase the prestige of the CDS. Orbegoso also admitted that the existence of so many labor groups and organizations tended to confuse small independent labor unions and prevented them from "crystallizing their views as to a definite policy or program to follow."
6. Luna's followers believe that many of the recent attacks which are being leveled at the CDS by opposition groups are the work of Pedro Parra, Secretary General of the Federation of Chauffeurs. Julian Huanay, labor editor of Jornada, is believed to be the instigator of many of the press attacks in that paper and in La Prensa and Ultima Hora.
7. The CDS is feeling the effects of Odria's lack of popularity with the workers, and some of the government's attempts to gain labor support have instead alienated the unions. For example, some of the workers' groups in Callao still resent the pressure applied to them from government sources to assure their cooperation in the March demonstrations of the CDS. More recently, Damaso de Rivero Winder, Prefect of Callao, sent his car around to the homes of several prominent labor leaders, requesting their attendance at a 7 May labor meeting at which Casagrandi, Director of Labor, was speaking. On 11 May, the Prefect sent two "agents" around to various important labor leaders to persuade them that it would be to their best interests to lend their support to a meeting being called to select a candidate from Callao for the House of Deputies.
8. Orbegoso stated that de Rivero, the Prefect, acting on orders from Odria, has been trying to appease the labor leaders by inviting them to a series of small banquets, which are believed to be financed by the Ministry of Labor.
9. The May First address of President Odria did not appease labor, according to source, which resented his references to past favors granted by the Junta. His statement that labor should begin to pay back its debt to the Junta for these favors, and that the time was coming soon which would enable them to indicate their appreciation and gratitude, was not well received. The workers felt that a discussion of the labor situation should have contained statements on his stand on Communism, to which the President did not refer.
10. [REDACTED] Odria is relying heavily on the advice of Gerardo Balbuena, a veteran politician and an important figure in government circles for the past decade. This source reports that Balbuena handles a large share of the negotiations with various political and labor leaders concerning the possible distribution of congressional seats, and it is reported that he may be advising Odria to lessen his efforts to gain complete labor support. However, Director of Labor Casagrandi is still one of the President's principal advisers in labor matters. As long as this contact remains, Luna will retain considerable influence in the formation of Peru's labor

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policy. Both Odria and Casagrandi consider Luna and the CDS as the most promising labor instruments in the country, and are expected to cooperate with them as long as they control large segments of workers.

#### Communist Party Labor Activities

11. Although the government withheld its permission until the last minute, the Cuzco Departmental Labor Congress was held by the Federacion de Trabajadores de Cuzco (FTC) from 29 April through 1 May.\*
12. Another development among Communist-inspired labor groups was the recent election and general reorganization of the Sindicato de Trabajadores de Construccion Civil de Lima y Bañeros, the union of the construction workers, masons, bricklayers, etc. This organization has been inactive for a long period. It had been believed that under the guidance of Isaias Contreras it would be reactivated under the banner of the CDS, but the recent elections indicate that Contreras and his followers have been completely left out of the group's directive body. There are three known Communists among the newly elected officers. Moreover this group has received support from the Liga Democratica Nacional. The following are the officers elected:
  - Luciano Buenano Ch., Secretary General
  - Alejandro Cuya I., Secretary of Interior
  - Juan Federico Martinez R., Secretary of Organization
  - Isidoro Camarra, Secretary of Defense
  - Carlos Aguirre G., Secretary of Economy
  - Pastor Chempen M., Secretary of Social Assistance
  - Zacarias Paredes A., Secretary of Culture
  - Aurelio Gonzalez G., Secretary of Cooperatives
  - Carlos Flores T., Secretary of Statistics
  - Hector Cerna, Secretary of Laws
  - Ferer Martinez, Secretary of Acts and Files
  - Vicente Rosas Castillo, Secretary of Press and Propaganda
  - Silvestre Quiroz, Secretary of Exterior
  - Victor E. Flores S., Delegate to National Federation of Construction Workers of Peru
  - Juan Federico Martinez, Delegate to National Federation of Construction Workers of Peru
  - Isidoro Camarra, Delegate to National Federation of Construction Workers of Peru
  - Edilberto Navarrete J., Delegate to National Federation of Construction Workers of Peru

13. The following information has been obtained on the three Communist officers:
  - a. Hector Cerna, an active Communist, has been associated with the Sindicato de Trabajadores en Construccion Civil since 1946. He is described as a clever organizer, well versed in syndicate activities and labor management.
  - b. Carlos Flores is an active Communist Party organizer in the Department of Apurimac, reported to be organizing Communist cells among the Indians. Source believes that he is identical with the Flores elected to office.
  - c. The home of Vicente Castillo was recently raided by the police, and a mimeograph machine and some dynamite were found. Three individuals, members of the construction workers' syndicate, were arrested and charged with being Anaristas and with fomenting subversive activity against the Junta. According to Orbegoso, Castillo had the dynamite for use in his work as a mason, and the mimeograph machine was used only to print labor information for distribution to the union. However, the three construction workers are still detained by the police and the union's activities are curtailed at present because of strict police vigilance.

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Miscellaneous Labor Groups

14. The backing and orientation of the newly formed Frente Unico is not yet known with certainty. It is said to be the product of dissident Communist elements in the south of Peru who are dissatisfied with the present Communist labor congresses and organizations in the area. Source also points out the possibility of its being a group sponsored by Luna, since its stated aims are similar to those of the CDS. The article in the 24 April edition of 1950 which discussed it touched on its policy only in vaguest terms, and listed no leaders or sponsors connected with it.
15. The Frente Nacional de Trabajadores is reported to be an organization formed by the Socialist Party. The group has gained no importance, and none of the officers are known by the labor leaders in Lima or in labor circles there. According to source, Luciano Castillo, leader of the Socialist Party, was active in the formation of the organization, although he has not let it be known generally that he is connected with this movement. The members of this group are principally members of the petroleum and mining syndicates who have become dissatisfied with the progress of their own unions. This group plans to send a delegation to Odria and the Minister of Labor to ask for official recognition.
16. The directorate of the Frente Nacional de Trabajadores is composed of the following:

Secretary General	Antonio Peralta
Commission on Propaganda	Juan Tejada Francisco Felipa
Commission on Syndical Relations	Antonio Lobato Alejandro Meza Jorge Cardenas
Commission of Work Recovery	Juan Rojas B. Angel Cano Humberto Huachillo
Commission on Economy and Finances	Julio Rado Jorge Zavala Oscar Fernandes

17. Alejandro Meza is said to be one of the important mine leaders in the south of Peru. The new organization is said to have the support of Francisco Viala, important Socialist Party petroleum workers' leader, and of Dagoberto Torres, writer for the Socialist paper El Socialista.
18. The Comité de Acción Política de los Trabajadores del Perú is reported to be a FUIS and Alianza Nacional organization, which has the support of leading elements of the Federation of Chauffeurs and Linotypists unions. The organization recently elected the following officers:

President	Fortunado Cepeda
Secretary of Organization	Nestor Cerpa
Secretary General	Cesar Fernandez
Secretary of Economy	Juan Garcia
Secretary of Press & Propaganda	Amador Liu Dominguez
Secretary of Acts & Archives	Jose Reyes

The following are official delegates of this organization:

Jose Zeparra R., Callao	J. Espinar, Lima
Eugenio Perez, Callao	J. Herrera, Lima
Julio Canelo, Chinchao	F. Guerrero, Lima
N. Vega, El Oriente	Maximo Paz, Lima
Oscar Espinar, Lima	P. Guerra, Lima
G. Angulo, Lima	Victor Urica, Lima

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All of the members are reported to belong now, or to have been associated with the FUIS and Alianza Nacional groups.

19. The Sindicato de Trabajadores Graficos de Lima has reportedly broken with the CDS. According to source, this break is an indication that Aprista support and influence in the union is still sufficiently strong to guide its activities. Juan Cerpa, Secretary of Defense of this group, is an active worker and is effectively pushing some of the claims of this group with the Ministry of Labor. Orbegoso has stated that Cerpa has been appealing indirectly to Señora Odría, wife of the President, to use her influence to aid the linotypists.

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